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LICENSEE AND
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OLYMPIC PRODUCTS

DÉTENTEUR DE LICENCES
ET DISTRIBUTEUR DE
PRODUITS OLYMPIQUES

"Support Canada's
Olympic Teams"



INTERIM REPORT

FOR THE SIX MONTHS ENDED DECEMBER 31, 1975



JEWELRY LIMITED

To Our Shareholders:

Sales for the six months ended December 31, 1975 were \$5,587,792, up from \$5,287,405 for the comparable period last year. The decline in the world market price of gold resulted in lower profits. Net earnings for the period were \$365,353 or 36 cents per share compared to the prior year's \$727,320 or 72 cents per share.

Rembrandt has recently introduced a new jewel-setting press for rings to the retail jewellery market with encouraging results, and is currently processing initial orders for this item, along with a range of compatible family rings and birthstones.

The Company's new plant has reached the finishing stages and the systematic transfer of equipment and production is slated to begin in March.

On behalf of the Board of Directors

Lorne Abrams
President

February 24, 1976

Interim Statement of Earnings (unaudited)

	Six months ended December 31, 1975	
	1975	1974
SALES	\$5,587,792	\$5,287,405
Earnings from operations before the following charges:	914,943	1,534,398
Depreciation	45,643	35,330
Interest on long term debt	107,281	79,137
Interest on short term debt	132,102	165,932
Earnings before taxes	629,917	1,253,999
Income taxes	264,564	526,679
Net earnings for the period	365,353	727,320
Earnings per common share		
Net for the period	\$ 0.36	\$ 0.72
Common shares outstanding	1,006,550	1,006,150

Statement of Changes in Financial Position (unaudited)

	Six months ended December 31, 1975	
	1975	1974
SOURCES OF WORKING CAPITAL		
Operations		
Net earnings for the period	\$ 365,353	\$ 727,320
Charges to operations not involving working capital		
Depreciation	45,643	35,330
Deferred income taxes	4,977	26,182
Working capital provided from operations	415,973	788,832
Increase in long term debt	1,424,589	536,060
Proceeds from sale of common shares		4,313
	1,840,562	1,329,205
USES OF WORKING CAPITAL		
Purchase of fixed assets (net)	1,552,448	952,026
	1,552,448	952,026
INCREASE IN WORKING CAPITAL	288,114	377,179
WORKING CAPITAL, BEGINNING OF PERIOD	3,820,412	2,925,150
WORKING CAPITAL, END OF PERIOD	\$4,108,526	\$3,302,329